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WASHINGTON, D. C.
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3-137A045

May 17, 1993

HAND DELIVERED

Mr. Sidney L. Strickland
Secretary
Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

RECORDATION NO. 18235
MAY 17 1993 12:15 PM
INTERSTATE COMMERCE COMMISSION

MAY 17 12 20 PM '93
MOTOR OPERATING UNIT

Dear Mr. Strickland

Enclosed for recordation pursuant to the provisions of 49 U.S.C. § 11303(a) are one (1) original and one (1) conformed copy of the Railroad Equipment Lease dated as of March 15, 1993 (the "Lease"), a primary document as defined in the Commission's Rules for Recordation of Documents.

The names and addresses of the parties to the enclosed Lease are:

Lessor: The David J. Joseph Company
300 Pike Street
Cincinnati, Ohio 45202

Lessee: Soo Line Railroad Company
105 South Fifth Street
Minneapolis, Minnesota 55405

A description of the boxcars covered by the enclosed document is set forth in Schedule 1 attached hereto and made a part hereof.

Also enclosed is our check in the amount of \$16.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return a file-stamped copy of the enclosed document to Patrick K. Cameron, Esq., Ober, Kaler, Grimes & Shriver, 120 East Baltimore Street, Baltimore, Maryland 21201-1643.

PKC:161535.1:05/14/93

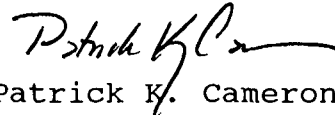
One Rod
C. Cameron

Mr. Sidney L. Strickland
May 17, 1993
Page 2

A short summary of the enclosed primary document to appear in the Commission's index is:

Railroad Equipment Lease dated as of March 15, 1993, by and between The David J. Joseph Company, as lessor, and Soo Line Railroad Company, as lessee, covering nineteen (19) 100-ton boxcars, built in 1977 by Greenville and currently bearing MILW reporting marks 4787 through 4792 and 4794 through 4806 inclusive, together with all accessions, additions, modifications, appurtenances, parts, improvements and attachments thereto, all substitutions and replacements thereof and all proceeds, including all insurance proceeds, settlement proceeds and requisition compensation, thereof.

Very truly yours,



Patrick K. Cameron

PKC/pml
Enclosures

Schedule 1

Nineteen (19) 100 ton, 86'6" long, high cube capacity boxcars,
1977 Greenville built, AAR designation XP railroad cars

Bearing Reporting Marks: MILW 4787 through 4792 and 4794
through, inclusive

DUPLICATE

RECORDATION NO. 18235 FILED 1425

MAY 17 1993 12:18 PM

INTERSTATE COMMERCE COMMISSION

RAILROAD EQUIPMENT LEASE

(NET)

BY AND BETWEEN

THE DAVID J. JOSEPH COMPANY

AND

SOO LINE RAILROAD COMPANY

DATED AS OF:

MARCH 15, 1993

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LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Agreement") is made as of this 15th day of March, 1993, between THE DAVID J. JOSEPH COMPANY, a Delaware corporation, as the lessor ("Lessor") and SOO LINE RAILROAD COMPANY, a Minnesota corporation, as the lessee ("Lessee").

1. Scope of Agreement

A. Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor upon the terms and conditions set forth herein, certain items of equipment of the reporting marks, number, type, construction and other description set forth in any Equipment Schedules ("Schedule") executed by the parties, and which are attached hereto and made a part of this Agreement. The word "Schedule" as used herein includes the Equipment Schedule or Equipment Schedules executed concurrently herewith and attached hereto, and any additional Equipment Schedules that may from time to time hereafter be executed by the parties and attached hereto, as the same may be amended by both parties from time to time, each of which when signed by both parties and attached hereto shall be a part of this Agreement. The items of equipment described on any Schedule are hereinafter called collectively the "Cars" and individually a "Car".

B. It is the intent of the parties to this Agreement that Lessor or its assignees shall at all times be and remain the Lessor of all Cars. Lessee agrees that it will at no time take any action or file any document which is inconsistent with the foregoing intent and will take such action and execute such documents as may be necessary to accomplish this intent.

2. Term

This Agreement shall remain in full force until it is terminated as to all of the Cars as provided herein. The term of the Agreement with respect to each Car described on each Schedule shall commence upon delivery to and acceptance by Lessee pursuant to Subsection 3.A ("Delivery Date") and shall expire as to all of the Cars described on any Schedule on the Expiration Date specified in such Schedule.

3. Delivery and Acceptance

Prior to the Commencement Date (as defined on Schedule I hereto) of this Lease, Lessee has leased from Lessor and Lessee has been in possession of the Cars pursuant to a prior lease (the "Prior Lease"). The Prior Lease provides, among other things, that the Lessee shall be responsible for maintaining the Cars in good operating order and repair and in conformance with the requirements of the Interchange Rules of the Association of American Railroads and such other jurisdictions which may have authority over the use of such Cars. Lessee hereby acknowledges its continuing responsibilities for the maintenance of the Cars under this Lease at all times from the date of execution until the Expiration Date (as defined in Schedule I hereto) of this Lease. By execution of this Lease by Lessee, the Lessee acknowledges the delivery by Lessor of the accepted Cars, the conformance of such Cars to the requirements of the Interchange Rules of the Association of American Railroads and the acceptance of the Cars by Lessee; whereupon such Cars shall be deemed to have been delivered to and accepted by the Lessee under this Lease and shall be subject thereafter to all of the terms and conditions of this Lease and to conform in all respects with the standards of condition and repair set forth in this Lease. The "Delivery Date" of the Cars shall be the date on which this Lease is executed by Lessee.

4. Record Keeping

A. Lessee shall, at its expense, prepare and file, with respect to the Cars, all required documents relating to the registration, maintenance and record keeping functions with respect to railroad equipment of the type subject to this Agreement. Such matters shall include, but are not limited to: (i) preparation of appropriate AAR interchange agreements with respect to the Cars; (ii) registration of the Cars in the Official Railway Equipment Register and the Universal Machine Language Equipment Register ("UMLER"); and (iii) preparation of any reports as may be required from time to time by the Interstate Commerce Commission and/or any other regulatory agencies with respect to the Cars. Lessee shall register each Car in UMLER in such a manner that Lessor, or its agent, is allowed reasonable access to any required information with regard to each Car. Lessor shall be responsible for any security interest filings or recordation of the Lease with the ICC, or other governmental filings.

B. Lessee shall keep records of and monitor the use and movements of the Cars in accordance with AAR rules and practices. All record keeping shall be separately recorded and maintained in a form suitable for reasonable inspection by Lessor from time to time during Lessee's regular business hours. Lessee shall supply Lessor with copies of such information, records and other data pertinent hereto as Lessor may reasonably request.

5. Maintenance

A. Lessee shall, at its expense, perform or have performed all maintenance and repairs to, and servicing of the Cars, as shall be necessary to maintain the Cars in good operating condition as specified in the AAR Interchange Rules, and any applicable FRA or Transport Canada regulations.

B. Lessee reserves the right to place Cars in need of repair into a contract repair facility of its choice and at its sole expense.

C. In the event any equipment or appliance on any of the Cars is required to be changed or replaced or any additional equipment or appliance is required to be installed during the Term of this Lease in order to comply with laws, regulations, requirements or other rules of the AAR, FRA Canadian Transport Commission or other governmental entity having jurisdiction over such Cars, the Lessee agrees to make such alterations, changes, modifications and enhancements (collectively "Modifications") at Lessee's own expense, provided that the cost of such Modification does not exceed \$500.00 per Car. If the cost of the Modification is expected to exceed \$500.00 per Car, at Lessee's option, either (a) the Lessee shall arrange and pay for such Modification with no adjustment of the monthly rental rate paid by Lessee, or (b) the Lessor shall arrange and pay for such Modification and adjust the monthly rental rate paid by Lessee. Any part or parts changed, replaced and/or added to any of the Cars for such Modifications shall be considered to be accessions to such Cars and title thereto shall be immediately vested in Lessor. Lessor has the right to inspect the Cars upon written request, provided that as a condition precedent to such inspection, Lessor shall cause each individual desiring to inspect the Car to execute Lessee's Release of Liability form, and provided that such inspection shall not interfere

with Lessee's use of the Cars. Any credit or refund available by the AAR or other entities for Modifications or application of such parts shall be passed on to the Lessee.

D. Any parts installed or replaced on any Car, other than those Modifications required by mandatory or regulatory rulings, by the Lessee for any reason shall be considered accessions to such Car and title thereto shall be immediately vested to the Lessor, except where such parts or or equipment is removed by Lessee before the Cars are returned to the Lessor and all related repairs are made by the Lessee and such removal does not affect the Cars serviceability or original value.

E. Lessor will assign to Lessee all manufacturer's warranties and other warranties relating to the Cars.

F. Lessor will, if available, supply Lessee with general and brake arrangement drawings along with builder's specifications for the Cars described on each Schedule.

6. Insurance

During the term of this Agreement, Lessee shall insure or self-insure the Cars for physical damage and against liability imposed by law for injury to, or death of, persons or damage to or destruction of property arising out of the use and operation of the Cars to the same extent, in the same manner and according to the same policies and practices as is the Lessee's practice in respect to the Lessee's own equipment. If Lessee elects to self-insure for the risks required to be insured or self-insured within this Section, Lessee shall provide Lessor with a letter certifying such self insurance. If Lessee elects to purchase insurance coverage for the risks required to be insured or self-insured within this Section, Lessee shall provide Lessor with evidence of such insurance.

7. Taxes

A. Lessee agrees to indemnify Lessor against all taxes, duties and imposts (including sales, use, goods and services, personal property and other taxes) imposed by any Federal, state or local tax authority or by any foreign government or taxing authority on payments made under this Agreement or on Cars included in this Agreement; excluding taxes imposed on the gross or net income of Lessor, or withholding, franchise, gross receipts, single

business, capital or net worth taxes, or any other taxes to the extent they are in lieu of gross or net income taxes imposed on the Lessor by foreign, Federal, state or local tax authorities. The Lessee will not indemnify Lessor for any taxes, fines, penalties or interest, imposed or levied on Lessor where such taxes, fines, penalties or interest is the result of Lessor's act or failure to act or misrepresentation or omission or negligence.

B. If any claim is made against the Lessor for any taxes, duties or imposts, indemnified against pursuant to Section 7A, Lessor shall promptly notify Lessee, in writing, with a copy to:

Canadian Pacific (U.S.) Finance, Inc.
105 South Fifth Street
Suite 925
Minneapolis, MN 55402
Attn: Tax Director

The Lessee may, and the Lessor shall, upon Lessee's request, contest any claim that could result in an indemnity payment pursuant to Section 7A, through any appropriate administrative or judicial forum. Lessee shall pay all costs incurred in connection with such a contest. Lessee shall have the right to review and approve all submissions to any administrative agency or court. The Lessee shall not be required to pay or discharge any tax or claim so long as Lessee or the Lessor shall, in good faith, contest the validity of the tax or claim in accordance with this Section.

8. Rent

A. Lessee agrees to pay Lessor the amount of fixed rental ("Fixed Rental") specified in any Schedule attached hereto with respect to the Cars described in such Schedule, commencing with the Delivery Date for each Car, and ending with the date specified in Sections 9, 11, or 12 hereof, as applicable.

B. All Rentals shall be paid monthly in advance, in U.S. dollars, with no setoffs. All past due installments of monthly Fixed Rental shall bear interest from the date due until paid at the prime interest rate for U.S. domestic commercial loans as published from time to time in the Wall Street Journal.

9. Casualty and Condemnation

A. An Event of Loss with respect to any Cars shall mean any of the following events: (1) theft or disappearance of a Car for a period in excess of thirty (30) days; (2) the Car becomes worn out, destroyed, or, in the reasonable opinion of Lessee, irreparably damaged or uneconomical to repair from any cause whatsoever; (3) title to the Car shall be taken by a governmental entity by condemnation or otherwise; or (4) as a result of any rule, regulation, order or other action by the U.S. government, or any agency or instrumentality thereof, for which use of the Car in the normal course of interstate rail transportation shall have been prohibited for a continuous period in excess of six months. Upon the occurrence of an Event of Loss, Lessee shall promptly notify the Lessor in writing and rentals shall cease as of the date of such notice to Lessor.

B. Within 30 days of receipt of an invoice from the Lessor for an Event of Loss, the Lessee will remit to the Lessor an amount equal to Depreciated Value (DV) of the Car(s) as defined in AAR Interchange rule 107, unless an alternate Casualty Value is defined in any attached Schedule applicable to the Car.

C. When the Depreciated Value or Casualty Value is paid to the Lessor, title to the Car will automatically transfer to Lessee. Lessor will execute documents at Lessee's request to confirm this transfer in ownership.

D. Lessor and Lessee agree to cooperate with and to assist each other in any reasonable manner requested to establish and pursue any proper claims against third parties responsible for any Event of Loss, provided however, that this shall not affect their respective obligations under this section.

10. Possession and Use

A. So long as Lessee shall not be in default under this Agreement, Lessee shall be entitled to the possession, use and quiet enjoyment of the Cars in accordance with the terms of this Agreement. Lessor may assign the Fixed Rental and all payments due hereunder pursuant to a financing or security agreements. Lessee will direct such payments to a

third party upon thirty (30) days advance written notice by Lessor to Lessee.

B. Lessee agrees that to the extent it has physical possession and can control use of the Cars, the Cars shall at all times be used and operated under and in compliance with the laws of the jurisdiction in which the same are operated and in which the same may be located and in compliance with all lawful acts, rules and regulations and orders of any governmental bodies or officers having power to regulate or supervise the use of such property, except that either Lessor or Lessee may in good faith and by appropriate proceedings, contest the application of any such act, rule, regulation or order in any reasonable manner at the expense of the contesting party.

C. The Cars may be operated on foreign or domestic routes provided, however, that the Cars shall not be used outside the United States of America for more than 180 days in any consecutive twelve (12) month period.

Lessee may sublease with prior consent by Lessor; however, if Lessor's objection to sublease is not received within ten (10) business days of Lessee's written request, then Lessee shall be permitted to sublessee the Cars under the following conditions: (i) the sublessee acknowledges in writing the existence of this Lease and further acknowledges in writing that such sublease is subject and subordinate to this Lease and the rights of the Lessor hereunder; (ii) Lessee furnishes Lessor with a true and correct copy of the written acknowledgment of the sublessee referred to in clause (i) above promptly upon execution thereof; (iii) the term (including any renewal or extension options) of any such sublease shall not extend beyond the remaining term of this Lease; (iv) such sublease shall not permit the sublessee to assign any of its rights under the sublease or further sublease any Car or to use the Cars in any manner prohibited by this Lease. Such sublease will not release the Lessee from its obligations under the Lease.

During the term of this Agreement, the Cars shall at all times be registered in the Official Railway Equipment Register and the UMLER.

D. No registered reporting marks and any stencils or markings that set forth the names of the Lessor and any mortgagee, trustee, assignee or other secured

party shall be altered or placed on the Cars by the Lessee without the prior written consent of the Lessor.

E. Lessee will not directly or indirectly create, incur, assume, or suffer to exist any mortgage, pledge, lien, charge, encumbrance, or other security interest or claim arising through it, on, or with respect to the Cars or any interest therein, or in this Agreement or Schedule thereto, except those created for the benefit of Lessor or any owner or secured party referred to in Subsection 10.A. hereinabove, and except for (i) liens for taxes, assessments or governmental charges or levies, in each case not due or delinquent, (ii) inchoate materialmen's, mechanics, workmen's, repairmen's or other like liens arising in the ordinary course of Lessee's business and in each case not delinquent. Lessee will promptly, at its expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance, security interest, or claim if the same shall arise at any time, except for those created by or through Lessor.

11. Default

A. The occurrence of any of the following events shall be an Event of Default: (i) the non-payment by Lessee of any sum required herein to be paid by Lessee within ten (10) days after Lessee has been given written notice that such sum is overdue; (ii) the breach by Lessee of any other term, covenant, or condition of this Agreement, which is not cured within thirty (30) days after Lessee receives written notice of such breach, and which results in a material degradation of Lessor's rights to the Cars, or the value therein; (iii) the filing by or against the Lessee of any petition or the initiation by or against the Lessee of any proceeding: (a) for any relief which includes, or might result in, any modification of the obligations of the Lessee hereunder; or (b) under any bankruptcy, reorganization, receivership, insolvency, moratorium or other laws relating to the relief of debtors, the readjustment of indebtedness, financial reorganization, arrangements with creditors, compositions of indebtedness, or extensions of indebtedness; (iv) if Lessee shall make or permit any unauthorized assignment or transfer of this Lease, the Units or any interest therein; or (v) if any representation or warranty of Lessee contained in this Lease shall prove to be untrue or incorrect.

B. Upon the occurrence of any Event of Default hereunder, without limiting Lessor's rights and remedies otherwise provided by law which shall be available to Lessor in addition to the following rights and remedies (no right or remedy of Lessor being exclusive but all such rights and remedies being available at all times to Lessor and Lessor in any case being entitled to recover all costs, expenses and attorneys' fees incurred by Lessor in enforcing its rights and remedies hereunder), Lessor may, at its option, terminate this Agreement and/or may:

(i) proceed by any lawful means to enforce performance by Lessee of this Agreement or to recover damages for a breach thereof; and/or

(ii) by notice in writing to Lessee, terminate Lessee's right of possession and use of the Cars, whereupon all right and interest of Lessee in the Cars shall terminate but Lessee obligations under this Agreement shall not terminate; and thereupon Lessee shall, if any Car is then loaded and if directed by Lessor to do so, unload the said Car or Cars within a reasonable time from such direction. Lessee shall deliver to Lessor each Car that is unloaded at the time of termination within thirty (30) days thereafter and each other Car within thirty (30) days after it becomes unloaded. Delivery shall be made by Lessee to Lessor at an interchange point or points designated by Lessor in writing and thereafter Lessor shall have the right to the use and possession of the Cars and to grant the use and possession of the Cars to others on such terms and conditions that the Lessor deems satisfactory and all income received by the Lessor from the exercise of such use and possession or the granting of such use and possession to others less all costs and expenses incurred by the Lessor, including reasonable attorneys' fees, in enforcing or exercising its forgoing rights shall be applied to all amounts due to the Lessor from the Lessee under the terms of this Agreement and any deficiency shall be paid to Lessor by Lessee on demand; and/or

(iii) by notice in writing to Lessee, terminate Lessee's right to possession and use of some or all of the Cars, whereupon all right and interest of Lessee in such Cars shall terminate; thereupon, Lessor may enter upon any premises where the terminated Cars may be located and take possession of

such Cars and henceforth hold, possess and enjoy the same free from any right of Lessee. Lessor shall, in addition, have the right to recover from Lessee any and all unpaid and due rental and mileage amounts and other past due amounts, plus the present value (using a 10 percent discount rate) of future lease rentals together with Lessor's costs and expenses, including reasonable attorney's fees incurred in securing such enforcement hereof.

12. Return of the Cars

A. Upon the expiration of the Agreement pursuant to Section 2 hereof (if the Lease is not renewed or the Purchase Option exercised), or upon the early termination of this Agreement with respect to any Car, Lessee shall promptly return such Car to Lessor as follows: (i) Lessor shall give 30 days advance written notice of the interchange point on Lessee's lines to which the Cars should be delivered. If Lessor fails to provide such written notice, the Lessee shall store the Cars per part (ii) of this section and rental payment on each Car will terminate on date specified in the applicable Schedule or the date such Car is placed on the designated storage track, whichever is later, except as otherwise provided in Section 12 (C) below; (ii) Lessee shall, at Lessor's option, further provide Lessor, with up to ninety (90) days free storage on its railroad tracks for any expired or terminated Car in order for Lessor to arrange for the disposal thereof, after which any storage shall be provided at Lessee's customary rate. All storage shall be at Lessor's risk; (iii) The Cars being returned shall meet all AAR, FRA, and Transport Canada rules and regulations covering the Mechanical requirements for acceptance of freight cars in interchange (as they apply to the original owner of the Cars).

B. The Lessee will remark, or have remarked at Lessee's expense, including any transportation involved, each Car being returned to the Lessor, as reasonably designated in writing by the Lessor.

C. Lessor and Lessee agree to cooperate with and assist each other with making Joint Inspections to determine the return condition of the Cars if requested by the other party. Lessee will return the Cars in the condition specified herein or either shall compensate Lessor for actual cost to make any needed repairs or shall undertake to repair any such

Car(s). Lessee shall continue to pay Lessor for the Lease Fixed Rental on Cars needing repairs until either the settlement for repairs is made or repairs are completed by Lessee as provided within this paragraph; provided, however, that such Lease Fixed Rental on Cars needing repairs shall not continue beyond thirty (30) days after the Lease Expiration date. If Lessor and Lessee cannot mutually agree on the actual repairs needed to be performed and/or the settlement amount for needed repairs within thirty (30) days after the Lease Expiration Date, then Lessee and Lessor shall enter into binding arbitration to settle any such dispute. Lessee and Lessor shall jointly select and evenly share in the cost of a neutral third party, with expertise in the operation of and mechanical requirements of railcars, to inspect the Car(s) and determine the repairs needed to be performed and the settlement amount for such needed repairs (the "Repair Settlement Amount"). Lessee shall pay Lessor the Repair Settlement Amount plus interest, at the then current prime interest rate for U.S. domestic commercial loans, on the Repair Settlement Amount for the period beginning thirty (30) days after the Lease Expiration date until the date of payment to Lessor of the Repair Settlement Amount.

D. The Lessee will not be responsible for the return condition of the Cars after the Cars have been returned to the Lessor and have passed through an interchange point with another common carrier unless a Joint Inspection of the Cars was made prior to that interchange, and Lessee has agreed in writing to remain responsible for the repairs after interchange. Any such repairs made by the Lessor for the account of the Lessee, as the result of a Joint Inspection or an outstanding AAR defect card, shall be billed to the Lessee at the prevailing contract rate of the facility making said repairs, but in no case more than the prevailing AAR rate.

13. Indemnities

A. LESSEE SHALL INDEMNIFY AND SAVE HARMLESS LESSOR FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, AWARDS, ACTIONS AND PROCEEDINGS BY WHOMSOEVER MADE, BROUGHT OR PROSECUTED, AND FROM AND AGAINST ANY AND ALL LOSS, DAMAGES, OR EXPENSES SUFFERED OR INCURRED BY LESSOR ASSOCIATED WITH THE USE OR OPERATION OF THE CARS, INCLUDING ATTORNEY'S FEES, AND INCLUDING LOSS OF OR DAMAGE TO COMMODITIES LOADED OR SHIPPED IN THE CARS,

(HEREINAFTER COLLECTIVELY REFERRED TO AS "LOSSES"), BUT EXCLUDING (i) LOSSES ATTRIBUTABLE TO THE ACTIVITIES, NEGLIGENCE, WILLFUL MISCONDUCT OR GROSS NEGLIGENCE OF LESSOR; (ii) LOSSES OCCURRING AFTER THE EARLIER OF THE REDELIVERY OF THE CARS OR THE EXPIRATION DATE; (iii) DISPOSITION BY THE LESSOR OF ALL OR ANY OF THE CARS, ANY INTEREST THEREIN OR ANY INTEREST IN ANY TRUST HOLDING SUCH CARS. ALL INDEMNITIES MADE BY LESSEE UNDER THIS SECTION 13(A) WILL BE MADE ON A BEFORE TAX BASIS.

B. In the event Lessee is asked to indemnify the Lessor for any such Losses, it shall be afforded a reasonable opportunity to contest or defend against any third party's claim giving rise to such indemnifiable Losses or damage. Additionally, in the event Lessee pays an indemnity for such Losses, Lessee shall be subrogated to any rights or claims against any third party relating to such Losses.

14. Inspection

Lessor shall have reasonable access to the physical inspection and examination of any Car located on Lessee's lines to ensure Lessee's compliance with its obligations hereunder upon prior reasonable notice to Lessee, and at Lessor's risk. As a precondition to entry onto Lessee's property, Lessor or its agents will execute Lessee's Release of Liability form. Lessor shall not unreasonably interfere with the movement of any Car as a result of such inspection.

15. Miscellaneous

A. This Agreement and the Schedules contemplated hereby shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

B. Both parties agree to execute the documents contemplated by this transaction and such other documents as may be required in furtherance of any financing or lease agreement entered into by Lessor or its assignees in connection with the acquisition of financing or use of the Cars in order to confirm the financing parties' interest in and to the Cars, this Agreement and Schedules hereto, provided Lessee's obligations hereunder do not change.

C. Any notice required or permitted under this Agreement to be given by either party hereto to the other shall be deemed given when received and

delivered by overnight carrier, return receipt requested, addressed as follows:

If to Lessor:

The David J. Joseph Company
300 Pike Street
Cincinnati, Ohio 45202
Attention: Vice President
Rail Equipment Leasing and
Marketing Division

If to Lessee:

Soo Line Railroad Company
105 South Fifth Street
Minneapolis, MN 55405
Attention: Controller

With a Copy to:

CP Rail System
Room 222, Union Station
65, Front Street West
Toronto, Ontario M5J 1E8
Attention: Manager - Asset Management,
Automotive

D. This Agreement and the Schedules attached hereto, or which may hereafter be attached hereto, exclusively and completely state the rights of the Lessor and Lessee with respect to the Cars covered hereby and supersede all other agreements, oral or written, with respect thereto. No variation or modification of this Agreement and no waiver of its provisions or conditions shall be valid unless in writing and signed by the Lessor and Lessee.

E. This Lease is freely assignable by Lessor, in whole or in part, either by written instrument or by operation of law, if such assignee acquires all or substantially all of the property of Lessor through purchase, liquidation, merger or consolidation, and upon delivery to Lessee of notice of any assignment, the term "Lessor" as used herein shall refer to such assignee, and The David J. Joseph Company shall thereafter be relieved of all of its liabilities and obligations under this Lease with respect to such assigned Car(s), provided that such assignee must be either a company or institution which has capital, surplus and undivided profits (or the equivalent) of

at lease \$60 million, or a company or institution that has a net worth of at least \$60 million, or a company or institution all of whose capital stock is owned by any of the foregoing and assumes in writing to Lessee all obligations of Lessor hereunder.

F. The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Ohio.

16. Disclaimer of Warranties

LESSOR, NOT BEING THE MANUFACTURER OF THE CARS, NOR THE MANUFACTURER'S AGENT, HEREBY EXPRESSLY DISCLAIMS AND MAKES TO LESSEE NO WARRANTY OR REPRESENTATION, EXPRESSED OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO: THE FITNESS FOR USE, DESIGN OR CONDITION OF THE CARS; THE QUALITY OR CAPACITY OF THE CARS; THE WORKMANSHIP IN THE CARS; THAT THE CARS WILL SATISFY THE REQUIREMENT OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO; AND ANY GUARANTEE OR WARRANTY AGAINST PATENT INFRINGEMENT OR LATENT DEFECTS, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN LESSOR AND LESSEE, ARE TO BE BORNE BY LESSEE. LESSOR IS NOT RESPONSIBLE OR LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGE TO OR LOSSES RESULTING FROM THE INSTALLATION, OPERATION OR USE OF THE CARS OR ANY CAR. Lessor hereby acknowledges that any manufacturers and/or sellers warranties are for the benefit of both Lessor and Lessee. Lessee's acceptance of delivery of the Cars, as provided in Section 3 hereto, shall be conclusive evidence as between Lessor and Lessee that each such accepted Car is in all of the foregoing respects satisfactory to the Lessee and the Lessee will not assert any claim of any nature whatsoever against Lessor based on all or any one or more of the foregoing matters.

17. End of Lease Options

A. Purchase Option: If notice is given in writing by the Lessee to the Lessor at least one hundred (100) days in advance of any Expiration Date or renewal term expiration as to any Schedule, the Lessee shall have the right, unless an event of default hereunder on the part of Lessee shall have occurred and be continuing, to purchase all of the Cars at the then Fair Market Value to be mutually agreed upon by Lessee and Lessor.

B. Renewal Option: If notice is given in writing by the Lessee to the Lessor at least one hundred (100) days in advance of any Expiration Date or renewal

term expiration as to any Schedule, the Lessee shall have the right, unless an event of default hereunder on the part of Lessee shall have occurred and be continuing, to renew any Schedule under this Agreement for three successive one year periods with respect to all of the Cars at the then Fair Market Rental Value to be mutually agreed upon by Lessee and Lessor.

C. Fair Market Value: If the Lessor and Lessee do not agree on the Fair Market Value or Fair Market Rental Value within fifty (50) days of Lessee's notice to Lessor after negotiating in good faith, then such Lessee option shall expire.

Agreed to and executed as of the date above.

LESSOR

THE DAVID J. JOSEPH COMPANY

By Douglas F. McMillan

Its Vice President

LESSEE

SOO LINE RAILROAD COMPANY

By BROCK M WINTER

Its duhy authorized agent as
General Manager, M&S

SCHEDULE I

1. The Term of this Schedule and the corresponding Lease to which it is attached and part thereof begins on the date of execution of the Lease by Lessee and Lessor (the "Commencement Date") and continues until the last day of the 120th full calendar month following the Commencement Date of this Lease (the "Expiration Date").

2. This Schedule covers nineteen (19) 100 ton boxcars built by Greenville in 1977 and current bearing the reporting marks as follows:

MILW 4787-MILW 4806, inclusive, excluding MILW 4793.

3. The Fixed Rental is \$350.00 per Car per month, prorated for partial months, and payable monthly in advance, in U.S. dollars.

4. The original cost and year built for estimating AAR DV for each Car covered by this schedule, or a Casualty Value Schedule, if applicable, is:

Month/Year Built - 9/77 for all Cars

<u>MILW</u>	<u>AAR LEDGER VALUE</u>	<u>MILW</u>	<u>AAR LEDGER VALUE</u>
4787	56,075	4797	56,075
4788	58,075	4798	56,075
4789	56,075	4799	58,575
4790	56,075	4800	56,386
4791	56,075	4801	56,386
4792	56,075	4802	56,386
4794	58,575	4803	56,075
4795	56,386	4804	56,075
4796	56,075	4805	56,702
		4806	56,075

Agreed to and executed as of March 15, 1993.

LESSOR

THE DAVID J. JOSEPH COMPANY

By Douglas F McWilliam

Its V.P

LESSEE

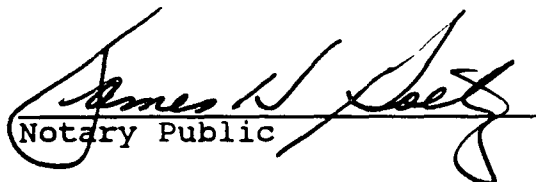
SOO LINE RAILROAD COMPANY

By Brock M WINTER

Its duly authorized agent as
General Manager, M & S

STATE OF OHIO)
)
COUNTY OF HAMILTON) SS:

The foregoing instrument was acknowledged before me this
16th day of MARCH, 1993, by
Douglas F. McMillan, the VICE PRESIDENT of
The David J. Joseph Company, a Delaware corporation, on behalf
of the corporation.


Notary Public

JAMES H. POTE
Notary Public, State of Ohio
My Commission Expires July 10, 1995

PM PROVINCE

STATE OF ONTARIO)

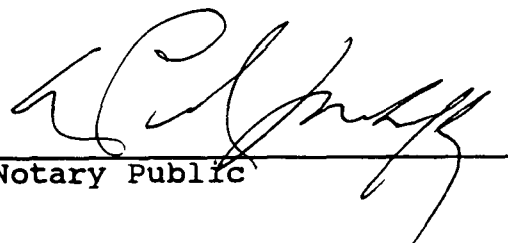
Municipality

COUNTY OF METROPOLITAN)

TORONTO

SS:

The foregoing instrument was acknowledged before me this
2nd day of April, 1993, by
Brock M. Winter, the duly authorized agent
of Soo Line Railroad Company, a Minnesota corporation, on
behalf of the corporation.


Notary Public